

# **EXHIBIT B**

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IN THE UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION

IN RE: )  
 )  
RANDOLPH N. OSHEROW, IN HIS )  
CAPACITY AS CHAPTER 7 TRUSTEE, )  
ET AL. ) ADV. PROC. NO. 22-05078-CAG  
PLAINTIFFS ) CASE. NO. 19-50900-CAG  
 ) CHAPTER 7  
V. )  
 )  
THOMAS G. DUNDON, ET AL. ) JUNE 10, 2024  
DEFENDANTS )

\*\*\*\*\*  
TRANSCRIPT OF HEARING AND JUDGE'S RULING ON ECF #70,  
ECF#71, ECF#73, ECF#82, ECF#90 AND ECF#95  
BEFORE THE HONORABLE JUDGE CRAIG A. GARGOTTA  
UNITED STATES DISTRICT JUDGE  
\*\*\*\*\*

Proceedings recorded by electronic sound recording,  
transcript produced by transcription service.

1       wondered before we got to today what was the level of  
2       inquiry? What -- what went through each person's mind in  
3       terms of deciding I need money and I'll go to Mr. Dundon  
4       because he's an individual of means, he's a very respected  
5       businessperson.

6                   And it seems to me, if we're talking about  
7       misrepresentation or we're talking about fraud or we're  
8       talking about breach of fiduciary duty and Texas Capital  
9       Bank has this information that could answer any of those  
10      questions, that information should come in. And so I  
11      looked at these. I don't think that they're overly broad  
12      as it relates to Texas Capital Bank.

13                  I understand the need behind the annualized  
14      statements. You explained that to me, Mr. Treyzon.

15                  I think the periods in question are  
16      appropriate under the circumstances. I frankly didn't  
17      understand why you wanted to go out to 2019. And then  
18      Mr. Treyzon said well, Judge, that's depending on when the  
19      annualized statements or financial records are produced,  
20      it's probably gonna have a 2019 date.

21                  There's nothing in here that strikes the  
22      Court as overly broad or burdensome or unnecessary. In  
23      fact, I think this goes to the heart of whether or not did  
24      Mr. Dundon -- what was his purpose, which I'm curious to  
25      know when we get to trial, what was the purpose of this

1 investment? Why did he do it? You know, what was the  
2 motivation behind it? Was it for tax reasons?

3 You know, you guys have shifted the whole  
4 discussion. You remember what the discussion was at the  
5 beginning? The technology, the marvelous technology, where  
6 we could all sit at our homes and bet, right, on is Number  
7 46 gonna catch a pass on third and ten, is the quarterback  
8 too tired, that kind of stuff.

9 That was kind of -- one of the things I  
10 heard a lot about at the beginning of the case was it's  
11 this technology. They're gonna use it in hockey. Now, I  
12 watch a fair amount of hockey games and I haven't seen that  
13 being used yet. Maybe it will come up.

14 But the whole focus of this case has shifted  
15 from that the real reason that Mr. Dundon wanted to get  
16 involved was he wanted to buy this technology. I haven't  
17 heard squat on that in some time.

18 What I'm hearing from the parties is well,  
19 there's -- there were other reasons for it and they were  
20 financially motivated. We'll see what the evidence proves  
21 on that.

22 But I'm satisfied, particularly as it  
23 relates to the Texas Capital Bank, that the requests relate  
24 to -- they're relevant because they're gonna go to the  
25 issue of whether -- what was the motivation behind him in

1                   MR. TREYZON: Of course, your Honor. We --  
2 one thing I'll represent, it's a pleasure to have this  
3 opposing counsel against us.

4                   If they have any difficulties, we actually  
5 have gone through the exercise with the document production  
6 of things like that, how can we help you, let us narrow it  
7 down for you, let us help you find the documents we seek.  
8 And the cooperation has been nothing but wonderful.

9                   THE COURT: And that's been the litany  
10 throughout this case. So who wants to prepare the form of  
11 order on this?

12                  MS. WILLIAMS: Your Honor, we'll do the  
13 order.

14                  THE COURT: All right.

15                  MS. WILLIAMS: Nicole Williams.

16                  THE COURT: And this is on -- this is ECF  
17 Number 70. And Ms. Williams will be responsible for the  
18 order.

19                  Okay. This goes to -- and the last one, ECF  
20 Number 82, which is the Pricewaterhouse subpoena, we'll  
21 kinda go through this one by one.

22                  So I -- number one, documents,  
23 communications that contain the analysis, evaluation of  
24 reports and summaries PWC made concerning tax attributes,  
25 it says January 2019 to the present. That -- that -- I

1 can't conceive of why that would have to be the present.

2 So at some point they had to stop working

3 for -- for the debtor. So we're gonna cap it on

4 December 31st of 2020. I think that's sufficient because I

5 do think it's overly broad. So limit that through 12/31 of

6 '19 -- or, excuse me, 2020.

7 Number two has been withdrawn. Number three

8 on the Project Football, I think that's been specifically

9 articulated that those documents need to be produced.

10 Number four, the documents and

11 communications including emails that detail potential tax

12 attributes discussed under Project Football, I think you

13 need to use the same scope that you used in two and three.

14 So I'm gonna confine it from January -- well, let's see.

15 You used two different dates there but I'm gonna use it

16 from January 1st of 2019 until December 31st of 2020. And

17 that'll be the scope on that.

18 On five and six, there has been no scope

19 identified. I think it is overly broad. So to the extent

20 there's a request to produce those documents, I don't think

21 this has been sufficiently narrowed. So the objections on

22 five and six are sustained.

23 Seven and eight, communications and

24 documents relating to any advice or discussion between PWC

25 and DCP on managing financial risk and also eight on

1 documents and communications discuss impact of Dundon's AAF  
2 investment, those are not sufficiently narrow. I agree  
3 with the defendants. Those objections are sustained.

4 And, Mr. Farahi, I understand, again, from  
5 your perspective you had to think of everything but  
6 these -- this is just too broad and I think under the  
7 circumstances of the case it puts too much of a burden on  
8 the parties.

9 Number nine, Dundon's financial standing or  
10 liquidity, bank statements, financial statements from  
11 January 1, 2018 to 2020, that's fine. That's acceptable.  
12 Same thing for ten. Same thing for 11.

13 So this is interesting. So this is news to  
14 me that you all are of the opinion that Mr. Anderson, who  
15 was identified until he got into, I'll just, my words,  
16 trouble with the law, was -- you assert had conversations  
17 with Mr. Dundon in terms of maybe his interest in -- in  
18 investing in the league. So I'm satisfied, based upon that  
19 explanation, there may not be anything there. Did you want  
20 to say something?

21 MR. ENGEL: I did.

22 THE COURT: Mr. Fowler, I'm sorry.

23 MR. ENGEL: Mr. Fowler's a different  
24 person.

25 THE COURT: Sorry. Thank you. I needed

1 that clarification.

2 MR. ENGEL: I didn't know if that affected  
3 it.

4 THE COURT: It does not other than I  
5 misstated who the -- but -- but there were -- forgive me.  
6 Sometimes there's a lot of names to keep track of.

7 But I am satisfied as it relates to number  
8 12, number 13, number 14 that I better understand now  
9 potentially what Mr. Dundon's involvement might have been  
10 as a precursor to the league getting started. I think  
11 that's appropriate. There may not be anything, I don't  
12 know, but I think it's appropriate.

13 Number 15, documents, communications  
14 reflecting, referencing or related to any financial advice,  
15 analysis or recommendations to Dundon or DCP regarding the  
16 debtors from January 1st, 2019 to the present, we're gonna  
17 cap that at December 31st of 2020.

18 Number 16 is fine. I think it's sufficient  
19 under the purposes.

20 Number 17, it says communications exchanged  
21 with Dundon from October 28 -- I'm gonna round off,  
22 October 2018 to December 2020 related to debtors, that's  
23 fine. Because it relates to the debtors. It's  
24 specifically identified. And I think any conversations  
25 that Mr. Dundon had with the debtors or the defendants is

1 deficit of information. But that's just too broad under  
2 the circumstances.

3 MR. TREYZON: Thank you, your Honor. We'll  
4 limit it.

5 THE COURT: Two years. 32 was withdrawn or  
6 at least acceded to.

7 Number 33, documents created, sent or  
8 received that contain, relate to or refer to any studies or  
9 analysis performed on behalf of Dundon, DCP or any person  
10 associated with DCP regarding Dundon's financial commitment  
11 in investing 250 and then it cites -- I think you've got to  
12 limit that to the extent that it's applicable, I'll be  
13 curious to see what you all turn up, but for that two year  
14 period as well.

15 MR. TREYZON: Your Honor, on that one, we  
16 need actually then go to 1/1/18 because of Dundon  
17 incorporated. So if we can go from '18, we're okay.

18 THE COURT: Right. Because of the  
19 following year.

20 MR. TREYZON: Right.

THE COURT: That's fine. Okay. 34,  
documents, contracts, agreements, engagement letters and  
retainer arrangements made between you and the debtors  
regarding your advisory services related to the bankruptcy  
proceedings of the debtors including the preparation of

1       the bankruptcy petitions and schedules, I think that needs  
2       to be limited to the case.

3                    MR. TREYZON: Your Honor, I believe it is  
4       intended to be limited to the case.

5                    THE COURT: All right.

6                    MR. TREYZON: Because --

7                    THE COURT: But you don't say that in  
8       there. So can we add a date?

9                    MR. TREYZON: Well, sure, your Honor. We  
10      can actually say it's in the -- well, we can say it's  
11      either April 2019, because that's the date of the filing,  
12      or we can do for the year of 2019.

13                  THE COURT: 2019.

14                  MR. TREYZON: But because we're relating to  
15      the debtor, I'm not aware of any other bankruptcy  
16      proceedings.

17                  THE COURT: Right. So let's limit it to  
18      2019.

19                  MR. TREYZON: Sure.

20                  THE COURT: Mr. Hockaday said number 35  
21      that that's already been produced. Is that correct? Or  
22      is that the other engagement letter that you were hoping  
23      to get?

24                  MS. WILLIAMS: That's what I was  
25      referencing, your Honor. I don't think we have 35.

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1 CERTIFICATE

2 UNITED STATES DISTRICT COURT )

3 WESTERN DISTRICT OF TEXAS )

4 SAN ANTONIO DIVISION )

5 I, Christine M. Sitzes, Court approved transcriber, certify  
that the foregoing is a correct transcript from the official  
6 electronic sound recording of the proceedings in the  
above-entitled matter.

7

8 /s/ Christine M. Sitzes  
Signature of Approved Transcriber

June 26, 2024  
Date

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11 Christine M. Sitzes  
Typed or Printed Name

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